

ILLINOIS POWER AGENCY

Large-Customer Self-direct Program Request for Information from Potential Participants

November 30, 2022

- I. **Background:** The Illinois Power Agency ("IPA") is seeking expressions of interest from potential participants in the new Self-direct Renewable Portfolio Standard Compliance Program ("Self-direct Program"). The most recent Long-Term Renewable Resource Procurement Plan ("Long-Term Plan") describes the IPA's approach to procuring Renewable Energy Credits ("RECs") for the Renewable Portfolio Standard compliance obligations applicable to Illinois electric utilities. 1, 2 The Long-Term Plan includes the Self-direct Program for large customers located in the Illinois service territories of Commonwealth Edison and Ameren Illinois. The program is set to take effect on June 1, 2023. The Self-direct program will allow qualified participating customers to receive utility bill credits for RECs purchased and retired that are sourced from new utility-scale wind and solar projects. In order to implement the Self-direct Program, the IPA is requesting that you provide information (as explained below) which will aid the IPA in establishing the size of the Self-direct Program and help in planning the execution of an effective and efficient rollout of the program.
- II. Purpose: The Climate and Equitable Jobs Act (Public Act 102-0662, also known as CEJA) that established the Self-direct Program directs the IPA to develop estimates of the quantity of RECs which could be procured and retired by customers participating in the Program. The IPA is reaching out to potential participants to guage their level of interest in the Program and to obtain data to support a determination of the Program's likely size. Potential Self-direct Program participants include commercial and industrial electricity customers with operations located in Illinois. Eligible

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¹ The applicable utilities for the IPA's REC procurements are Ameren Illinois Company ("Ameren Illinois"), Commonwealth Edison Company ("ComEd"), and MidAmerican Energy Company ("MidAmerican").

² The IPA's processes and mandates are described in the Illinois Power Agency Act (20 ILCS 3855) and the Illinois Public Utilities Act (220 ILCS 5).

sources of renewable energy for this program must be located in Illinois or the states adjacent to Illinois.³

- **III. Expression of Interest Form:** The information that the IPA is seeking from you is detailed in the <u>spreadsheet response form</u>.
- IV. Program Information: The information that is received through this request for expression of interest will support the IPA's determination of the quantity of RECs that are expected to be retired in compliance with the Self-direct Program. The response to this request is strictly voluntary and does not obligate any responding entity to participate in the Self-direct Program. Declining to respond to this request will not exclude the entity from participation in the program. The spreadsheet response form specifies the information the IPA is seeking. Please note that the IPA desires complete responses to this request, however if not all of the information requested is available, any information that the respondent can provide will be accepted and appreciated. At the responding entity's request, the IPA will treat this information as confidential including the identity of the respondent. Subject to the respondent's confidentiality needs, the IPA would like to publicly release a list of the commercial and industrial end-users that have expressed an interest in participating in the program.
- V. **Program Eligibility**: Details concerning the Self-direct Program are contained in the IPA's Long-Term Renewable Resources Procurement Plan.⁴ Specific information regarding the eligibility for participation in the Self-direct Program is summarized as follows:
 - a. To qualify as an eligible self-direct customer the participant must be a retail customer of either Commonwealth Edison or Ameren Illinois.
 - b. The eligible customer must have a non-coincident peak demand of at least 10,000 kW which may be aggregated across the customer's operations and operations of the customer's affiliates that are in the two utilities' service territories.

³ Note that not all renewable resource generation facilities under contract are eligible in the Self-direct program. Program participants must ensure that projects meet the geographic and related public interest criteria as defined in Public Act 102-0662, the 2022 LTRRP Plan, and any other criteria or rules as set forth by the IPA.

⁴ Illinois Power Agency. 2022 Long-Term Renewable Resource Procurement Plan, Final Plan, August 23, 2022. https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/2022-long-term-plan-23-august.pdf.

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- c. By the time that a customer applies to the Self-direct Program that customer must hold a long-term contract, defined as a minimum term of 10 years, for the delivery of RECs from a new eligible renewable energy generating facility located in Illinois or one of the states adjacent to Illinois.⁵
- d. A new renewable generating facility is defined as one that was energized after June 1, 2017.
- e. RECs sourced from renewable electricity generating facilities located in any adjacent state must meet the public interest criteria which are defined and explained in the Long-Term Renewable Resources Procurement Plan.
- f. The quantity of RECs delivered to a participant in the Self-direct Program must be equivalent to a minimum of 40% of the electricity usage at the participant's operations located in Illinois.
- g. Any RECs retired through the Self-direct Program must be generated by eligible utility-scale wind and/or solar generating facilities and must be retired by the participant or on the participant's behalf.
- VI. Form Submission: If your company is interested in participating in the Self-direct Program, please respond to the questions contained in the spreadsheet response form. The spreadsheet contains multiple parts that will ask background information about your company's interest and any information you can provide regarding renewable energy contracts and associated solar and wind generation facilities. The IPA requests that you provide as much information as possible in the spreadsheet, however, you are not required to provide details for every question asked. Please note, again, that a response to this request is strictly voluntary and does not obligate any responding entity to participate in the Self-direct Program.

The IPA greatly appreciates your consideration of this request for expression of interest in the Self-direct Program. **Please send your completed spreadsheet to the IPA at IPA.ContactUs@illinois.gov by December 22, 2022.** If you have any questions regarding this request, please contact Anthony Star at Anthony.Star@illinois.gov.

⁵ Adjacent states include: Wisconsin, Michigan, Indiana, Kentucky, Missouri, and Iowa.